

Filing at a Glance

Company: Technology Insurance Company, Inc.

Product Name: General Liability

SERFF Tr Num: REGU-125226037 State: Arkansas

TOI: 17.0 Other Liability - Claims

SERFF Status: Closed

State Tr Num: AR-PC-07-025365

Made/Occurrence

Sub-TOI: 17.0001 Commercial General Liability Co Tr Num: 2007-1127

State Status:

Filing Type: Rate

Co Status:

Reviewer(s): Betty Montesi, Edith Roberts

Author: John Battles

Disposition Date: 07-06-2007

Date Submitted: 07-06-2007

Disposition Status: Exempt from Review

Effective Date Requested (New): 07-15-2007

Effective Date (New):

Effective Date Requested (Renewal): 07-15-2007

Effective Date (Renewal):

General Information

Project Name: Revision of Company Loss Cost Multiplier

Project Number: 2007-1127

Reference Organization: Insurance Services Office

Reference Title: N/A - Change in Company LCM Only

Filing Status Changed: 07-06-2007

State Status Changed: 07-06-2007

Corresponding Filing Tracking Number:

Filing Description:

Technology Insurance Company, Inc. (TIC), a participant of Insurance Services Office (ISO), is submitting this filing to reduce its approved loss cost multipliers (LCM) from its initial Commercial Automobile filing.

TICs rates will be the combination of ISOs loss costs and loss cost multiplier of 1.34 for General Liability, as shown on the enclosed state filing forms. As noted on the attached forms, this loss cost multiplier will remain on file and apply to all subsequent prospective loss cost filings unless otherwise notified.

The overall rate level impact of this filing is -15.6%.

The proposed changes included in this filing are based on the following:

1. The proposed loss cost multiplier reflects TIC managements revised estimates of general expenses as well as any changes in the tax provisions.

2. The current loss cost multiplier reflects TIC managements best estimates of the costs of doing business as a startup operation. Now that TIC is no longer a startup operation, we propose to adjust the loss cost multiplier to reflect changes in expenses.

3. Changes in tax provisions are based on our research and on ISOs annual expense and tax analysis. The final Taxes, Licenses, and Fees (TL&F) selections represent our best estimate of future TL&F liabilities for this line of business.

Enclosed for your review:

State Required Filing Forms

General Liability State Exception Pages

With the exception of the loss cost multiplier and related expected loss ratios, all other rules and rating values are the same as currently approved for use by TIC.

\$100.00 has been transmitted via EFT through the SERFF system to cover the required filing fee.

We propose that this filing become effective for all policies effective July 15, 2007.

Company and Contact

Filing Contact Information

John Battles, President
50 Broad Street
New York, NY 10004

johnbattles@ircllc.com
(941) 926-0144 [Phone]
() -[FAX]

Filing Company Information

Technology Insurance Company, Inc.
55 Capital Boulevard
6th Floor
Rocky Hill, CT 06067
(212) 571-3989 ext. [Phone]

CoCode: 42376
Group Code: 2538

State of Domicile: New Hampshire
Company Type: P&C

Group Name:
FEIN Number: 02-0449082

State ID Number:

Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	\$100 for change in compan LCM

Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Technology Insurance Company, Inc.	\$100.00	07-06-2007	14476752

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Exempt from Review	Edith Roberts	07-06-2007	07-06-2007

Disposition

Disposition Date: 07-06-2007

Effective Date (New):

Effective Date (Renewal):

Status: Exempt from Review

Comment:

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Technology Insurance Company, Inc.	-15.600%	\$-70,726	60	\$453,025	0.000%	-15.600%	0.000%

Item Type	Item Name	Item Status	Public Access
Supporting Document	Summary of Supporting Information and	Accepted for	Yes
	Calculation of Company LCM	Informational Purposes	
Rate	Division Six - General Liability State	Accepted for	Yes
	Exception Pages	Informational Purposes	

Rate Information

Rate data applies to filing.

Filing Method:

File & Use

Rate Change Type:

Decrease

Overall Percentage of Last Rate Revision:

0.000%

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Company Rate Information

Company Name:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):	Overall % Indicated Change:
Technology Insurance Company, Inc.	-15.600%	\$-70,726	60	\$453,025	0.000%	-15.600%	-15.600%

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Number:	Attachments
Accepted for Informational Purposes	Division Six - General Liability State Exception Pages	CGL-AR (Edition Replacement 07-07)	N/A - Exempt		AR GL Exception Pages.pdf

**COMMERCIAL LINES MANUAL
DIVISION SIX – GENERAL LIABILITY**

STATE EXCEPTION PAGES

LOSS COST MULTIPLIER

The following loss cost multiplier (LCM) will apply to the Insurance Services Office General Liability loss costs:

Coverage	LCM *
General Liability	1.34

- * **Estimated Loss Potential (ELP)** – Multiply the applicable ELP published in Division six – General Liability section of the Commercial Lines Manual by the LCM to determine the basic limits (\$100,000/\$200,000) guide (a) rate.

MINIMUM PREMIUMS, ADDITIONAL AND RETURN PREMIUM CHARGES

The following will supplement the Insurance Services Office General Liability countrywide rules:

ISO Rule			PREMIUM
No.	Description		
8.	POLICY WRITING MINIMUM PREMIUM		
	A. Prepaid Policies		\$500
	B. Annual Premium Payment Plan Policies or Continuous Policies		\$500
9.	ADDITIONAL PREMIUM CHARGES		
	B. Waiver of Premium		\$15
10.	RETURN PREMIUM CHARGES		
	B. Waiver of Premium *		\$15
	* However, any return premium requested by the insured must be granted		
14.	MINIMUM PREMIUMS	I/L Table Assignment	
	B. Minimum Premiums		
	Premises/Operations (Subline Code 334)	1	\$500
		2	\$500
		3	\$500
	Products/Completed Operations (Subline Code 336)	A	\$500
		B	\$500
		C	\$500
	E. Minimum Premium		\$500

**COMMERCIAL LINES MANUAL
DIVISION SIX – GENERAL LIABILITY****STATE EXCEPTION PAGES****RATING PLANS****EXPECTED LOSS RATIO**

The Expected Loss Ratio (ELR) below is applicable to the following ISO plans:

- Experience and Schedule Rating Plan
- Retrospective Rating Plan
- Composite Rating Plan

Coverage	ELR*
General Liability	0.708

* ELR - Includes ALAE and excludes ULAE

Supporting Document Schedules

Satisfied -Name: Summary of Supporting Information
and Calculation of Company LCM

Comments:

Attachment:

Arkansas.pdf

Review Status:

Accepted for Informational 07-06-2007
Purposes

**INSURER RATE FILING
ADOPTION OF ADVISORY ORGANIZATION
PROSPECTIVE LOSS COSTS REFERENCE
FILING ADOPTION FORM**

Page 1 of 3

1. Insurer Name Technology Insurance Company
- Address 59 Maiden Lane, 6th Floor
New York, NY 10038
- Person Responsible for Filing John Battles, Insurance Regulatory Consultants
- Title President, IRC Telephone No. (212) 571-3989
2. Insurer NAIC No. 42376 Group No. 2538
3. Line of Insurance General Liability
4. Advisory Organization Insurance Services Office, Inc.,
5. Advisory Organization Reference Filing No. _____
6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named advisory organization for this line of insurance. The insurer hereby files (to be deemed to have independently submitted as its own filing) the prospective loss costs in the captioned Reference Filing. The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.
7. Proposed Rate Level Change -15.6% % Effective Date 8/1/2007
8. Prior Rate Level Change N/A-Initial % Effective Date N/A
9. Attach "Summary of Supporting Information Form"
(Use a separate Summary for each insurer-selected loss cost multiplier.)
10. Check one of the following:
- (☒) The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the advisory organization's prospective loss costs for this line of insurance. The insurer's rates will be the combination of the advisory organization's prospective loss costs and the insurer's loss cost multipliers and, if utilized, expense constants specified in the attachments. The rates will apply to policies written on or after the effective date of the advisory organization's prospective loss costs. This authorization is effective until disapproved by the Commissioner, or until amended or withdrawn by the insurer.
- (☐) The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Advisory Organization Reference Filing.

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Insurer Name: Technology Insurance Company
 NAIC No.: 42376

Date: 7/6/2007
 Group No. 2538

**INSURER RATE FILING
 ADOPTION OF ADVISORY ORGANIZATION PROSPECTIVE LOSS COSTS
 SUMMARY OF SUPPORTING INFORMATION FORM
 CALCULATION OF COMPANY LOSS COST MULTIPLIER**

1. Line, Subline, Coverage, Territory, Class, etc. combination to which this page applies:
General Liability
2. Loss Cost Modification:
- A. The insurer hereby files to adopt the prospective loss costs in the captioned reference filing:
 (Check One)
- (☒) Without modification (factor = 1.000)
- () With the following modification(s). (Cite the nature and percent modification, and attach supporting data and/or rationale for the modification.)

B. Loss Cost Modification Expressed as a Factor: (See Example Below.) 1.000

NOTE: IF EXPENSE CONSTANTS ARE UTILIZED, ATTACH "EXPENSE CONSTANT SUPPLEMENT" OR OTHER SUPPORTING INFORMATION. DO NOT COMPLETE ITEMS 3-7 BELOW.

3. Development of Expected Loss Ratio. (Attach exhibit detailing insurer expense data and/or other supporting information.)

	Selected Provisions
A. Total Production Expense	<u>14.9%</u>
B. General Expense	<u>8.2%</u>
C. Taxes, Licenses & Fees	<u>2.82%</u>
D. Underwriting Profit & Contingencies*(Includes Invest. Income)	<u>-0.45%</u>
E. Other (explain)	
F. TOTAL	<u>25.47%</u>

* Explain how investment income is taken into account.

4. A. Expected Loss Ratio: $ELR = 100\% - 3F=A$. 74.53%
 B. ELR in decimal form = 0.7453
5. Company Formula Loss Cost Multiplier: (2B divided by 4B) = 1.34
6. Company Selected Loss Cost Multiplier = 1.34
 Explain any differences between 5 and 6:
-
7. Rate level change for the coverages to which this page applies: -15.6%

Example 1: Loss Cost modification factor: If your company's loss cost modification is -10%,
 a factor of .90 (1.000 - .100) should be used

Example 2: Loss Cost modification factor: If your company's loss cost modification is +15%,
 a factor of 1.15 (1.000 + .150) should be used